



# HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2003  
OF THE CONDITION AND AFFAIRS OF THE

## Grand Valley Health Plan

NAIC Group Code			NAIC Company Code	95453	Employer's ID Number	38-2396958
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health [ ]      Property/Casualty [ ]      Dental Service Corporation [ ] Vision Service Corporation [ ]      Other [ ]      Health Maintenance Organization [ X ] Hospital, Medical & Dental Service or Indemnity [ ]      Is HMO, Federally Qualified? Yes [ X ] No [ ]					
Incorporated	12/03/1981			Commenced Business	02/05/1982	
Statutory Home Office	829 Forest Hills Ave SE			Grand Rapids, MI 49546		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	829 Forest Hills Ave					
	Grand Rapids, MI 49546			616-949-2410-119		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Mail Address	829 Forest Hills Ave SE			Grand Rapids, MI 49546		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	829 Forest Hills Ave					
	Grand Rapids, MI 49546			616-949-2410-119		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Internet Website Address	gvhp.com					
Statutory Statement Contact	Jean Marie Brown			616-949-2410-119		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	brownj@gvhp.com			616-949-9948		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	829 Forest Hills Ave SE					
	Grand Rapids, MI 49546			616-949-2410		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number) (Extension)		

### OFFICERS

President	Roland E Palmer	Secretary	Thomas W. Schouten
Treasurer	Thomas W. Schouten		

### VICE PRESIDENTS

James T Kerby Dr.		
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### DIRECTORS OR TRUSTEES

Lucille Grimm	James Kerby	Kathy Lentz
Roland Palmer	Thomad Schouten	Herbert Start
John Miller	Pamela Silva	Craig Thompson
Margaret Sudekum	Gene Peterson	

State of .....Michigan.....  
County of .....Kent..... } ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Roland E. Palmer	Thomas W. Schouten (Secretary)	Craig D. Thompson (Treasurer)
Roland E. Palmer (President)	Secretary	Treasurer
President		

Subscribed and sworn to before me this  
15th day of August, 2003

Pamela L. Silva

ASSETS

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....			.0	.0
2. Stocks:				
2.1 Preferred stocks .....			.0	.0
2.2 Common stocks .....			.0	.0
3. Mortgage loans on real estate:				
3.1 First liens .....			.0	.0
3.2 Other than first liens .....			.0	.0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....	1,349,465	40,480	1,308,985	1,386,857
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			.0	.0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			.0	.0
5. Cash (\$ .....4,225,050 ) and short -term investments (\$ .....1,023,941 ) .....	5,248,991		5,248,991	2,114,239
6. Contract loans, (including \$ .....premium notes)			.0	
7. Other invested assets .....	774,735	.0	774,735	792,138
8. Receivable for securities .....			.0	.0
9. Aggregate write-ins for invested assets .....	.0	.0	.0	.0
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	7,373,191	40,480	7,332,711	4,293,234
11. Investment income due and accrued .....	901		901	1,168
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection .....	538,261	99,738	438,523	981,273
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....earned but unbilled premiums).....			.0	
12.3 Accrued retrospective premiums.....			.0	
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers .....	131,173		131,173	525,219
13.2 Funds held by or deposited with reinsured companies .....			.0	
13.3 Other amounts receivable under reinsurance contracts .....			.0	
14. Amounts receivable relating to uninsured plans .....			.0	.0
15.1 Current federal and foreign income tax recoverable and interest thereon .....	.0	.0	.0	.0
15.2 Net deferred tax asset.....	1,398,036	1,216,030	182,006	.0
16. Guaranty funds receivable or on deposit .....			.0	
17. Electronic data processing equipment and software .....	222,094	14,495	207,599	166,310
18. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	45,431		45,431	72,541
19. Net adjustment in assets and liabilities due to foreign exchange rates .....			.0	.0
20. Receivables from parent, subsidiaries and affiliates .....	48,438		48,438	702,644
21. Health care (\$ ..... ) and other amounts receivable.....	76,534	49,741	26,793	19,316
22. Other assets nonadmitted .....	14,192	14,192	.0	.0
23. Aggregate write-ins for other than invested assets .....	349,078	.0	349,078	334,577
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	10,197,329	1,434,676	8,762,653	7,096,282
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
26. Total (Lines 24 and 25)	10,197,329	1,434,676	8,762,653	7,096,282
<b>DETAILS OF WRITE-INS</b>				
0901. ....	.0		.0	.0
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.0	.0	.0	.0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Pharmacy Inventory.....	335,734		335,734	246,846
2302. A/R Other.....	11,643		11,643	87,731
2303. OTC Inventory.....	1,701		1,701	.0
2398. Summary of remaining write-ins for Line 23 from overflow page .....	.0	.0	.0	.0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	349,078	0	349,078	334,577

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....369,211 reinsurance ceded)	3,714,085	281,030	3,995,115	3,443,204
2. Accrued medical incentive pool and bonus payments .....			0	0
3. Unpaid claims adjustment expenses .....	35,000		35,000	35,000
4. Aggregate health policy reserves .....			0	0
5. Aggregate life policy reserves .....			0	
6. Property/casualty unearned premium reserve .....			0	
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....	594,106		594,106	726,389
9. General expenses due or accrued .....	882,964		882,964	847,834
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses)) .....			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable .....			0	
12. Amounts withheld or retained for the account of others .....			0	0
13. Remittances and items not allocated .....			0	
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....	277,373		277,373	0
16. Payable for securities .....			0	0
17. Funds held under reinsurance treaties with (\$ ..... authorized reinsurers and \$ .....unauthorized reinsurers) .....			0	0
18. Reinsurance in unauthorized companies .....			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
20. Liability for amounts held under uninsured accident and health plans .....			0	0
21. Aggregate write-ins for other liabilities (including \$ ..... current) .....	28,553	0	28,553	57,482
22. Total liabilities (Lines 1 to 21).....	5,532,081	281,030	5,813,111	5,109,909
23. Common capital stock .....	XXX	XXX	312,996	312,996
24. Preferred capital stock .....	XXX	XXX		0
25. Gross paid in and contributed surplus .....	XXX	XXX	1,212,873	1,212,873
26. Surplus notes .....	XXX	XXX	500,000	500,000
27. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
28. Unassigned funds (surplus) .....	XXX	XXX	923,673	(39,496)
29. Less treasury stock, at cost:				
29.1 .....shares common (value included in Line 23) \$ ..... ) .....	XXX	XXX		0
29.2 .....shares preferred (value included in Line 24) \$ ..... ) .....	XXX	XXX		0
30. Total capital and surplus (Lines 23 to 28 minus Line 29) .....	XXX	XXX	2,949,542	1,986,373
31. Total liabilities, capital and surplus (Lines 22 and 30)	XXX	XXX	8,762,653	7,096,282
DETAILS OF WRITE-INS				
2101. Malpractice Insurance Tail.....	28,553		28,553	57,482
2102. Capital Lease.....			0	0
2103. ....				
2198. Summary of remaining write-ins for Line 21 from overflow page .....	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	28,553	0	28,553	57,482
2701. ....	XXX	XXX	0	0
2702. ....	XXX	XXX		
2703. ....	XXX	XXX		
2798. Summary of remaining write-ins for Line 27 from overflow page .....	XXX	XXX	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	115,432	238,608
2. Net premium income (including ..... non-health premium income).....	XXX	21,036,080	38,981,260
3. Change in unearned premium reserves and reserve for rate credits .....	XXX		0
4. Fee-for-service (net of \$ ..... medical expenses) .....	XXX	280,598	626,331
5. Risk revenue .....	XXX		0
6. Aggregate write-ins for other health care related revenues .....	XXX	0	0
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	21,316,678	39,607,591
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....	1,311,306	14,493,751	24,989,325
10. Other professional services .....	139,469	1,264,009	2,604,487
11. Outside referrals .....			0
12. Emergency room and out-of-area .....	43,816	379,425	890,653
13. Prescription drugs .....		2,792,074	6,198,013
14. Aggregate write-ins for other hospital and medical.....	500	87,038	853,117
15. Incentive pool and withhold adjustments .....			0
16. Subtotal (Lines 9 to 15) .....	1,495,091	19,016,297	35,535,595
<b>Less:</b>			
17. Net reinsurance recoveries .....		263,210	525,219
18. Total hospital and medical (Lines 16 minus 17) .....	1,495,091	18,753,087	35,010,376
19. Non-health claims .....			
20. Claims adjustment expenses .....			217,586
21. General administrative expenses.....		2,365,776	3,956,145
22. Increase in reserves for life and accident and health contracts including \$ ..... increase in reserves for life only).....			0
23. Total underwriting deductions (Lines 18 through 22) .....	1,495,091	21,118,863	39,184,107
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	197,815	423,484
25. Net investment income earned .....		95,712	0
26. Net realized capital gains or (losses) .....			0
27. Net investment gains or (losses) (Lines 25 plus 26) .....	0	95,712	0
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....			0
29. Aggregate write-ins for other income or expenses .....	0	0	0
30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	293,527	423,484
31. Federal and foreign income taxes incurred .....	XXX	86,507	0
32. Net income (loss) (Lines 30 minus 31) .....	XXX	207,020	423,484
<b>DETAILS OF WRITE-INS</b>			
0601. ....	XXX		
0602. ....	XXX		
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	XXX	0	0
0701. ....	XXX		
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above) .....	XXX	0	0
1401. Other Medical.....	500	87,038	853,117
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) .....	500	87,038	853,117
2901. ....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above) .....	0	0	0

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year to Date	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT:</b>		
33. Capital and surplus prior reporting period .....	1,986,371	1,489,609
<b>GAINS AND LOSSES TO CAPITAL &amp; SURPLUS:</b>		
34. Net income or (loss) from Line 32 .....	207,020	321,085
35. Change in valuation basis of aggregate policy and claim reserves .....		0
36. Net unrealized capital gains and losses .....		0
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0
38. Change in net deferred income tax .....	204,964	443,000
39. Change in nonadmitted assets .....	468,079	(277,454)
40. Change in unauthorized reinsurance .....	0	0
41. Change in treasury stock .....		0
42. Change in surplus notes .....	0	0
43. Cumulative effect of changes in accounting principles .....	83,107	0
44. Capital Changes:		
44.1 Paid in .....		0
44.2 Transferred from surplus (Stock Dividend) .....		0
44.3 Transferred to surplus .....		10,131
45. Surplus adjustments:		
45.1 Paid in .....		0
45.2 Transferred to capital (Stock Dividend) .....	0	0
45.3 Transferred from capital .....		0
46. Dividends to stockholders .....		0
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0
48. Net change in capital & surplus (Lines 34 to 47) .....	963,170	496,762
49. Capital and surplus end of reporting period (Line 33 plus 48)	2,949,541	1,986,371
<b>DETAILS OF WRITE-INS</b>		
4701. Adj for surplus increase.....		0
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	21,361,809	39,106,627
2. Net investment income .....	95,979	149,433
3. Miscellaneous income .....	273,915	1,204,045
4. Total (Lines 1 to 3) .....	21,731,703	40,460,105
5. Benefits and loss related payments .....	17,807,130	37,081,755
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	2,330,646	3,645,097
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) \$ ..... net tax on capital gains (losses)	(118,457)	253,000
10. Total (Lines 5 through 9) .....	20,019,319	40,979,852
11. Net cash from operations (Line 4 minus Line 10) .....	1,712,384	(519,747)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	0	50,000
12.2 Stocks .....	0	0
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	0	19,338
12.6 Net gains or (losses) on cash and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	54,795	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	54,795	69,338
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	0	0
13.2 Stocks .....	0	0
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	0	0
14. Net increase (or decrease) in policy loans and premium notes .....	0	
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	54,795	69,338
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	
16.2 Capital and paid in surplus, less treasury stock.....	0	
16.3 Borrowed funds received.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied).....	1,367,574	188,962
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6) .....	1,367,574	188,962
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17) .....	3,134,753	(261,447)
19. Cash and short-term investments:		
19.1 Beginning of period .....	2,114,237	2,375,684
19.2 End of period (Line 18 plus Line 19.1).....	5,248,990	2,114,237

STATEMENT AS OF JUNE 30, 2003 OF THE Grand Valley Health Plan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
<b>Total Members at end of:</b>													
1. Prior Year .....	19,561	252	17,592	.0	.0	.0	1,717	.0	.0				.0
2 First Quarter .....	19,214	244	17,249	.0	.0	.0	1,721	.0	.0	.0	.0	.0	.0
3 Second Quarter .....	18,708	227	16,791				1,690						
4. Third Quarter .....	.0												
5. Current Year	0												
6 Current Year Member Months	115,434	1,459	103,742				10,233						
<b>Total Member Ambulatory Encounters for Period:</b>													
7. Physician .....	10,414	132	9,359				923						
8. Non-Physician .....	28,271	357	25,408				2,506						
9. Total	38,685	489	34,767	0	0	0	3,429	0	0	0	0	0	0
10. Hospital Patient Days Incurred	2,311	29	2,077				205						
11. Number of Inpatient Admissions	520	7	467				46						
12. Health Premiums Collected .....	21,641,729	292,672	19,805,505				1,543,552						
13. Life Premiums Direct.....	.0												
14. Property/Casualty Premiums Written .....	.0												
15. Health Premiums Earned .....	21,036,079	290,806	19,626,653				1,118,620						
16. Property/Casualty Premiums Earned .....	.0												
17. Amount Paid for Provision of Health Care Services .....	18,390,780	248,698	16,511,775				1,630,307						
18. Amount Incurred for Provision of Health Care Services	19,016,296	262,425	17,068,113				1,685,758						

## CLAIMS PAYABLE (Reported and Unreported)

[illegible]



UNDERWRITING AND INVESTMENT EXHIBIT  
ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid Dec. 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital & medical) .....	2,861,427	13,899,045	147,534	3,847,581	3,008,961	3,443,204
2. Medicare Supplement .....					.0	.0
3. Dental Only .....					.0	.0
4. Vision Only .....					.0	.0
5. Federal Employees Health Benefits Plan Premiums .....	278,334	1,351,973			278,334	.0
6. Title XVIII - Medicare .....					.0	.0
7. Title XIX - Medicaid .....					.0	.0
8. Other Health .....					.0	.0
9. Health Subtotal (Lines 1 to 8).....	3,139,761	15,251,018	147,534	3,847,581	3,287,295	3,443,204
10. Other non-health .....					.0	
11. Medical incentive pools, accruals and disbursements .....					.0	.0
12. Totals	3,139,761	15,251,018	147,534	3,847,581	3,287,295	3,443,204

## NOTES TO FINANCIAL STATEMENTS

### Notes to the Financial Statements

Note 1: The State of Michigan implemented SSAP's effective 1/01/2003. Michigan does not require the reconciliation to SSAP.

Note 2: No corrections of errors.

Note 3: No business combinations or goodwill.

Note 4: No discontinued operations.

Note 5: No new investments.

Note 6: No new joint ventures.

Note 7: Investment interest income accrued @ 06/30/2003 was \$901.

Note 8: No derivatives.

Note 9: Federal Income tax payable as of 06/30/2003 was \$86,507.

Note 10: No loan guarantees.

Note 11: No changes.

Note 12: No changes.

Note 13: No changes.

Note 14: No changes.

Note 15: 2003 rental commitments \$1,178,942. Rental commitments for 2004-2007 will be based on the 2003 rates adjusted for the consumer price index.

Note 16: No changes.

Note 17: No changes.

Note 18: No changes.

Note 19: No changes.

Note 20: No changes.

Note 21: No changes.

Note 22: No changes.

Note 23: No changes.

Note 24: No changes.

Note 25: No changes only ordinary activity.

Note 26: No changes.

Note 27: No changes.

Note 28. No pharmacy vendor rebates estimated.

Note 29: No changes.

Note 30: No changes.

Note 31: No changes.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1

Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes ☒ No ☐
- 1.2

If yes, explain:  
State of Michigan adopted SSAP's as of 1/01/03.
- 2.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☒ No ☐
- 2.2

If yes, has the report been filed with the domiciliary state?

Yes ☒ No ☐
- 3.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 3.2

If yes, date of change:  
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4.

Have there been any substantial changes in the organizational chart since the prior quarter end?  
If yes, attach an explanation.

Yes ☒ No ☐
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 5.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

6.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
If yes, attach an explanation.

Yes ☐ No ☒ NA ☐
- 7.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2001
- 7.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

03/31/2003
- 7.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

03/31/2003
- 7.4

By what department or departments?  
Office of Financial and Insurance Services - State of Michigan
- 8.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes ☐ No ☒
- 8.2

If yes, give full information:
- 9.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 9.2

If response to 9.1 is yes, please identify the name of the bank holding company.
- 9.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 9.4

If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

INVESTMENT

10.1 Has there been any change in the reporting entity's own preferred or common stock? ..... Yes [ ] No [X]

10.2 If yes, explain:  
.....

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes [ ] No [X]

11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: .....\$ .....0

13. Amount of real estate and mortgages held in short-term investments: .....\$ .....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [ ] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....	\$ .....
14.24 Short-term Investments .....	\$ .....	\$ .....
14.25 Mortgages, Loans or Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ ] No [X]

If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [X] No [ ]

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes in the custodian(s) identified in 16.1 during the current quarter? ..... Yes [ ] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

Grand Valley Technology Services LLC was created effective 04/01/2003. This company is 55% owned by Grand Valley Health Corporation. Grand Valley Health Corporation is the parent company of Grand Valley Health Plan.

SCHEDULE A - VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	1,386,857	1,373,955
2. Increase (decrease) by adjustment .....	(37,392)	(50,047)
3. Cost of acquired .....		0
4. Cost of additions to and permanent improvements .....		62,949
5. Total profit (loss) on sales .....		0
6. Increase (decrease) by foreign exchange adjustment .....	0	0
7. Amount received on sales .....		0
8. Book/adjusted carrying value at end of current period .....	1,349,465	1,386,857
9. Total valuation allowance .....		0
10. Subtotal (Lines 8 plus 9) .....	1,349,465	1,386,857
11. Total nonadmitted amounts .....	40,480	0
12. Statement value, current period (Page 2, real estate lines, current period)	1,308,985	1,386,857

SCHEDULE B – VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	NONE	
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions .....		
2.2. Additional investment made after acquisitions .....		
3. Accrual of discount and mortgage interest points and commitment fees .....		
4. Increase (decrease) by adjustment .....		
5. Total profit (loss) on sale .....		
6. Amounts paid on account or in full during the period .....		
7. Amortization of premium .....		
8. Increase (decrease) by foreign exchange adjustment .....		
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....		
10. Total valuation allowance .....		
11. Subtotal (Lines 9 plus 10) .....		
12. Total nonadmitted amounts .....		
13. Statement value of mortgages owned at end of current period		

SCHEDULE BA – VERIFICATION

Other Invested Assets Included in Schedule BA

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	792,138	811,476
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions .....		0
2.2. Additional investment made after acquisitions .....		0
3. Accrual of discount .....		0
4. Increase (decrease) by adjustment .....	(17,403)	0
5. Total profit (loss) on sale .....		0
6. Amounts paid on account or in full during the period .....		19,338
7. Amortization of premium .....		0
8. Increase (decrease) by foreign exchange adjustment .....		0
9. Book/adjusted carrying value of long-term invested assets at end of current period .....	774,735	792,138
10. Total valuation allowance .....		0
11. Subtotal (Lines 9 plus 10) .....	774,735	792,138
12. Total nonadmitted amounts .....		0
13. Statement value of long-term invested assets at end of current period	774,735	792,138

SCHEDULE D - VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	NONE	
2. Cost of bonds and stocks acquired .....		
3. Accrual of discount .....		
4. Increase (decrease) by adjustment .....		
5. Increase (decrease) by foreign exchange adjustment .....		
6. Total profit (loss) on disposal .....		
7. Consideration for bonds and stocks disposed of .....		
8. Amortization of premium .....		
9. Book/adjusted carrying value, current period .....		
10. Total valuation allowance .....		
11. Subtotal (Lines 9 plus 10) .....		
12. Total nonadmitted amounts .....		
13. Statement value (Lines 11 minus 12)		

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 .....								
2. Class 2 .....								
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds								
PREFERRED STOCK								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock								

NONE

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999 Totals	1,023,941	XXX	1,023,941	6,137	

SCHEDULE DA - PART 2- Verification

Short-Term Investments Owned		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	1,017,803	950,259
2. Cost of short-term investments acquired .....	6,138	67,544
3. Increase (decrease) by adjustment .....		0
4. Increase (decrease) by foreign exchange adjustment .....		0
5. Total profit (loss) on disposal of short-term investments .....		0
6. Consideration received on disposal of short-term investments .....		0
7. Book/adjusted carrying value, current period .....	1,023,941	1,017,803
8. Total valuation allowance .....		0
9. Subtotal (Lines 7 plus 8) .....	1,023,941	1,017,803
10. Total nonadmitted amounts .....		0
11. Statement value (Lines 9 minus 10) .....	1,023,941	1,017,803
12. Income collected during period .....	6,138	12,056
13. Income earned during period .....	7,039	13,223

**STATEMENT AS OF JUNE 30, 2003 OF THE Grand Valley Health Plan**

## SCHEDULE DB - PART F- SECTION 1

### Summary of Replicated (Synthetic) Assets Open

[illegible]



SCHEDULE DB - PART F - SECTION 2

	Reconciliation of Replicated (Synthetic) Assets Open									
	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-to-Date	
	1 Number of Positions	2 Total Replicated (Synthetic) Assets Statement Value	3 Number of Positions	4 Total Replicated (Synthetic) Assets Statement Value	5 Number of Positions	6 Total Replicated (Synthetic) Assets Statement Value	7 Number of Positions	8 Total Replicated (Synthetic) Assets Statement Value	9 Number of Positions	10 Total Replicated (Synthetic) Assets Statement Value
1. Beginning Inventory .....	0	0	0	0	0	0	0	0	0	0
2. Add: Opened or Acquired Transactions .....									0	0
3. Add: Increases in Replicated Asset Statement Value .....	XXX		XXX		XXX		XXX		XXX	0
4. Less: Closed or Disposed of Transactions .....									0	0
5. Less: Positions Disposed of for Failing Effectiveness Criteria .....									0	0
6. Less: Decreases in Replicated (Synthetic) Asset Statement Value	XXX		XXX		XXX		XXX		XXX	0
7. Ending Inventory	0	0	0	0	0	0	0	0	0	0

**STATEMENT AS OF JUNE 30, 2003 OF THE Grand Valley Health Plan**

## SCHEDULE S—CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

[illegible]

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

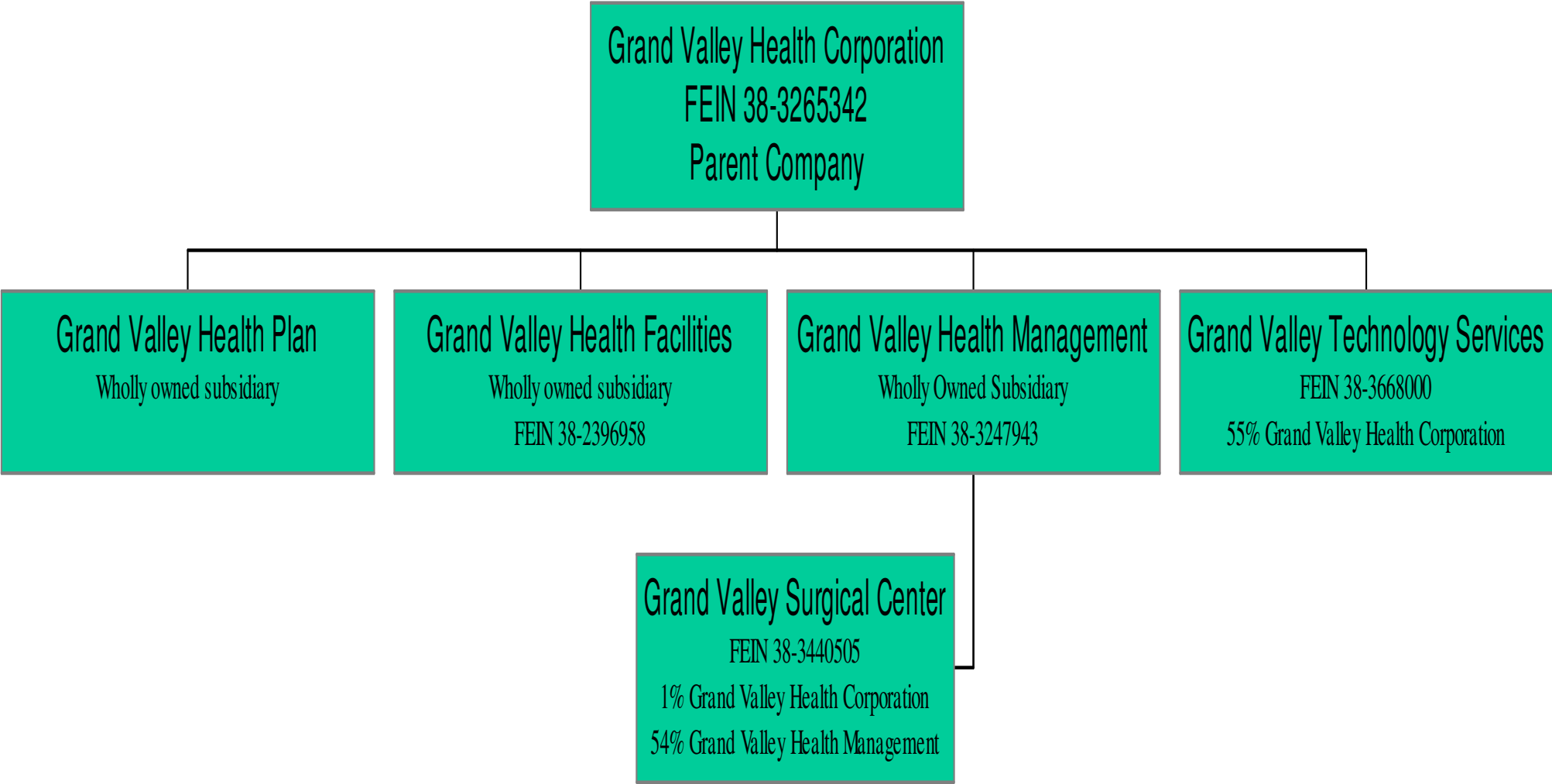
Allocated by States and Territories

States, Etc.		1	2	Direct Business Only Year-to-Date					
		Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	3 Accident and Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefit Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/Casualty Premiums
1. Alabama	AL								
2. Alaska	AK								
3. Arizona	AZ								
4. Arkansas	AR								
5. California	CA								
6. Colorado	CO								
7. Connecticut	CT								
8. Delaware	DE								
9. District of Columbia	DC								
10. Florida	FL								
11. Georgia	GA								
12. Hawaii	HI								
13. Idaho	ID								
14. Illinois	IL								
15. Indiana	IN								
16. Iowa	IA								
17. Kansas	KS								
18. Kentucky	KY								
19. Louisiana	LA								
20. Maine	ME								
21. Maryland	MD								
22. Massachusetts	MA								
23. Michigan	MI	No	Yes	19,917,459			1,118,620		
24. Minnesota	MN								
25. Mississippi	MS								
26. Missouri	MO								
27. Montana	MT								
28. Nebraska	NE								
29. Nevada	NV								
30. New Hampshire	NH								
31. New Jersey	NJ								
32. New Mexico	NM								
33. New York	NY								
34. North Carolina	NC								
35. North Dakota	ND								
36. Ohio	OH								
37. Oklahoma	OK								
38. Oregon	OR								
39. Pennsylvania	PA								
40. Rhode Island	RI								
41. South Carolina	SC								
42. South Dakota	SD								
43. Tennessee	TN								
44. Texas	TX								
45. Utah	UT								
46. Vermont	VT								
47. Virginia	VA								
48. Washington	WA								
49. West Virginia	WV								
50. Wisconsin	WI								
51. Wyoming	WY								
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. U.S. Virgin Islands	VI								
56. Canada	CN								
57. Aggregate Other Alien	OT	XXX	XXX	0	0	0	0	0	0
58. Total (Direct Business)		XXX	(a) 1	19,917,459	0	0	1,118,620	0	0
DETAILS OF WRITE-INS									
5701. ....									
5702. ....									
5703. ....									
5798. Summary of remaining write-ins for Line 57 from overflow page				0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)				0	0	0	0	0	0

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

Grand Valley Health Corporation



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing on "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory question.

RESPONSE

1. Will the SVO Compliance Certification be filed with this statement?

.....Yes.....

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

Schedule D - Part 3

NONE

Schedule D - Part 4

NONE

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE



**STATEMENT AS OF JUNE 30, 2003 OF THE Grand Valley Health Plan**

## SCHEDULE E - PART 1 - CASH

[illegible]